



# Spatial Economics Research Centre

Friday, 12 August 2011

## Riots: What next?

With the violence (at least temporarily) under control attention is now turning to the longer run questions raised by this week's rioting. Today I wanted to focus on one aspect of this: to what extent the riots reflect a failure of urban policy and what, if anything, could be done better.

Let me start with a few things that are obvious. First, the cause of riots are complex, so we should be careful about specific 'solutions' proposed by people who say they 'know' what caused them. Second, the underlying problems are long run and structural so there are no immediate fixes. Politicians should try to remember this as they scramble desperately to 'do something'. Third, because the problems are long run and structural it's useful to think about how the success or failure of recent urban policy should guide the response. So, in no particular order:

1. More shiny new buildings. Unlikely to help. See the [NAO on the coalfields regeneration](#) or my contribution to a [recent SERC policy paper](#).
2. A renewed emphasis on [mixed communities](#). Unlikely to help.
3. Reversing housing benefit reforms so that people don't have to move. Unlikely to make [any long run difference](#) unless you are somehow already persuaded that this is all about 'Tory Cuts'. In which case, see my earlier comment about people that think they know what caused the riot.
4. Closing the gap between rich and poor. Might help if this turns out to be an underlying cause (although the evidence on the role of relative poverty in the LA riots is pretty limited). If you think it helps but run local not national government, remember that [local authorities aren't very effective at closing the gap between rich and poor](#).
5. Local jobs for local people. [Silly](#).
6. Cultural regeneration. A much loved (by some) policy. There is [little evidence this works](#).
7. More enterprise zones. Again, [little evidence these work](#) and even when they do increase employment locally, it is not clear those jobs go to local people.
8. More public sector jobs? Again, not clear these go to local residents and not clear to what extent they are additional. A pretty blunt Keynesian tool for areas most affected by the downturn suggests a very blunt urban policy for helping with riots. Focus should be on [effective public service provision](#).
9. More spending on Area Based Initiatives. Unfortunately, evidence for their effectiveness is pretty weak. Based on the best evidence that we have available ([for the NDC](#)) a reasonably well funded ABI has not, on average, improved individual outcomes in targeted areas. In short, neighbourhood policies may provide important public goods (social housing and public spaces) but not economic development. There is a (possibly large) consumption value to these goods - although that hasn't been enough to prevent rioting and there is no compelling evidence that they meet objectives of narrowing the gap between disadvantaged individuals and the rest.
10. Policies around education and 'up-skilling' workers. Policy needs to focus on improving the skills of individuals and be realistic about the fact that those with new skills may choose to leave an area. There should be much less focus on policies based on attracting skilled workers to move to disadvantaged places.

And finally, an important policy prescription and my best guess as to the two areas on which policy should focus:

11. *Policy should focus on, and be assessed by, impact on people not places.* In the recent past, policy has been too heavily focused on public expenditure to "turn around" declining places while paying too little attention to individuals. At the individual level, interventions need to come as early in life as possible (the Manchester Independent Economic Review argues the case). Later in life, policy should focus more on encouraging labour market activity and removing barriers to mobility. No quick fixes here, but at least this increased focus on individuals might have some hope of solving the long term problems.

[You can read more on these issues in my chapter in the recent [SERC policy paper on underperforming places](#). And in the spirit of generating debate, that policy paper also includes contributions from people who would strongly disagree with some of the points I make above]

Posted by [Prof Henry G. Overman](#) on [Friday, August 12, 2011](#)

 +1 [Recommend this on Google](#)

## No comments:

[Post a Comment](#)

[Newer Post](#)

[Home](#)

[Older Post](#)

